

Appl'n No. 08/674,726

Responsive Amendment/Reply dated September 13, 2007

Reply to Office Action of June 13, 2007



**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Appl. No.	:	08/674,726	Confirmation No. 8703
Applicant	:	Scott A. Moskowitz	
Filed	:	July 2, 1996	
TC/A.U.	:	2616	
Examiner	:	Duc Chi HO	
Docket No.	:	2377/11 [80410.0017]	

Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

**REPLY TO OFFICE ACTION**

Sir:

In response to the non-final Office Action of June 13, 2007 Applicant provides the following:

### **Background**

With all due respect to the non-final June 13, 2007 Office Action, "[t]he Office's policy of compact prosecution requires that both examiners and applicants provide the information necessary to raise and resolve the issues related to patentability expeditiously" (Official Gazette of 07 November 2003). It is respectfully submitted that the present application is not informal, does not present an undue multiplicity of claims, or exhibit a misjoinder of inventions so as to reasonably preclude a complete action on the merits (Office is respectfully directed to MPEP § 704.14(b)). In at least one prior Office Action, allowable subject matter including allowable claim[s] were identified by the Office, confirmed in at least one Interview and memorialized in a written formal Response (37 C.F.R. 1.2). Thus, the Applicant respectfully requests the Office issue a timely notice of allowance.

Second, the U.S Patent Office imposes obligations under the policy of compact prosecution. This obligation includes reviewing each claim for compliance with every statutory requirement for patentability, *even* if one or more claims are found to be deficient with respect to some statutory requirement. Applicant submits there are no such deficiencies with the pending claims. An Office Action should indicate how rejections may be overcome and how objections and informalities may be resolved. One rationale is to eliminate, to the extent possible, unnecessary delays in prosecution of the application (*please* see, for example, MPEP § 2106II). Another significant aspect of this policy is the avoidance of piecemeal prosecution (MPEP § 707.07(g)). The June 13, 2007 Office Action lacks answers to the properly traversed December 14, 2006 non-final Office Action as written and submitted in the Applicant's March 14, 2007 Reply. In order to "...enhance the clarity of the prosecution history record... (MPEP § 707.07(f)), Applicants respectfully submit that the Applicant's request is proper under 37 C.F.R. 1.104(a)(1):

"On taking up an application for examination or a patent in a reexamination proceeding, the examiner shall make a thorough study thereof and shall make a thorough investigation of the available prior art relating to the subject matter of the claimed invention. The examination shall be complete with respect both to compliance of the application or patent under reexamination with the applicable statutes and rules and to the patentability of the invention as claimed, as well as with respect to matters of form, unless otherwise indicated."

### **Patentable Subject Matter & Claim 6**

It is respectfully submitted that in at least one prior Office Action the claims were agreed as being patentable subject matter. In fact, as expressly provided in

Applicant's Response/Reply dated March 14, 2007 at Page 7 and cited above, Claim 6 was identified as being allowable for at least the reason that the claim is *an independent claim* [emphasis added]:

**"Additionally, Examiner states: 'Claims 6 and 21-22 are objected to as being dependent upon a rejected base claim, but would be allowable if rewritten to include limitations of the base claim and any intervening claims' December 14, 2006 Office Action at Page 4. Claim 6 is an independent claim as agreed during the telephonic interview on or about January 30, 2007.**

**Applicant maintains Claim 6 is allowable."**

It is unclear how the Office interprets the Applicant's Response/Reply as required under MPEP § 707.07(f) ("In order to provide a complete application file history and to enhance the clarity of the prosecution history record, an examiner must provide clear explanations of all actions taken by the examiner during prosecution of an application") as well as the arguments presented above.

Respectfully, Applicant submits that MPEP § 706.04 establishes procedures for "previous action[s] by different examiner[s]" ("Full faith and credit should be given to the search and action of a previous examiner unless there is a clear error in the previous action or knowledge of other prior art. In general, an examiner should not take an entirely new approach or attempt to reorient the point of view of a previous examiner, or make a new search in the mere hope of finding something. >*Amgen, Inc. v. Hoechst Marion Roussel, Inc.*, 126 F. Supp. 2d 69, 139, 57 USPQ2d 1449, 1499-50 (D. Mass. 2001).<") including "rejection of previously allowed claims" ("A claim noted as allowable shall thereafter be rejected only after the proposed rejection has been submitted to the primary examiner for consideration of all the facts and approval of the proposed action. Great care should be exercised in authorizing such a rejection"). Applicant respectfully directs the Office to MPEP § 2106:

**"It is essential that patent applicants obtain a prompt yet complete examination of their applications. Under the principles of compact prosecution, each claim should be reviewed for compliance with every statutory requirement for patentability in the initial review of the application, even if one or more claims are found to be deficient with respect to some statutory requirement. Thus, \*>USPTO< personnel should state all reasons and bases for rejecting claims in the first Office action. Deficiencies should be explained clearly, particularly when they serve as a basis for a rejection. Whenever practicable, \*>USPTO< personnel should indicate how rejections may be overcome and how problems may be resolved. A failure to follow this approach can lead to unnecessary delays in the**

prosecution of the application.

Prior to focusing on specific statutory requirements, **>USPTO<** personnel must begin examination by determining what, precisely, the applicant has invented and is seeking to patent, and how the claims relate to and define that invention. (As the courts have repeatedly reminded the **>USPTO<**: "The goal is to answer the question 'What did applicants invent?'" *In re Abele*, 684 F.2d 902, 907, 214 USPQ 682, 687 >(CCPA 1982)<. Accord, e.g., *Arrhythmia Research Tech. v. Corazonix Corp.*, 958 F.2d 1053, 1059, 22 USPQ2d 1033, 1038 (Fed. Cir. 1992).) **>USPTO personnel<** will review the complete specification, including the detailed description of the invention, any specific embodiments that have been disclosed, the claims and any specific, substantial, and credible utilities that have been asserted for the invention.

...

Prior to **>evaluating<** the claimed invention under 35 U.S.C. 101, **>USPTO<** personnel are expected to conduct a thorough search of the prior art. Generally, a thorough search involves reviewing both U.S. and foreign patents and nonpatent literature. In many cases, the result of such a search will contribute to **>USPTO<** personnel's understanding of the invention. Both claimed and unclaimed aspects of the invention described in the specification should be searched if there is a reasonable expectation that the unclaimed aspects may be later claimed. A search must take into account any structure or material described in the specification and its equivalents which correspond to the claimed means plus function limitation, in accordance with 35 U.S.C. 112, sixth paragraph and MPEP § 2181 through § 2186."

Finally, as per MPEP § 707.02 (note: not quoted here) regarding the pendency of applications, Applicant submits with all due respect he has taken steps to expedite prosecution and place this application in condition for allowance. Such disposition is earnestly and respectfully requested.

### **Rejections under 35 USC § 101**

The June 13, 2007 Office Action contends that claims 3-6 and 16-22 are directed to non-statutory subject matter in part based on the contention that claim 3 "is directed toward a software program per se" (Office Action at Page 2). Additionally, it is the Office's contention that "[t]he same remark applies to claims 4-5"; and, "[r]egarding claim 6 ... the body of the claim appear to recite an abstract idea of computer instructions, lines 3-17. Since there is no physical application that produces a useful, tangible, and concrete result, the claim is, therefore, non-statutory. The same remark applies to claims 3-5" (Office Action at Page 2). Applicant respectfully traverses. First, the Office Action provides no reasonable explanation for the contention. Second, **Applicant would like to bring to the Office's attention the fact that this same rejection was previously made and in view of a detailed response, the Office withdrew this rejection (please see Office Action dated September 30, 1998).** Third, MPEP § 2106D states:

"USPTO personnel should review the totality of the evidence (e.g., the specification, claims, relevant prior art) before reaching a conclusion with regard to whether the claimed invention sets forth patent eligible subject matter. USPTO personnel must weigh the determinations made above to reach a conclusion as to whether it is more likely than not that the claimed invention as a whole either falls outside of one of the enumerated statutory classes or within one of the exceptions to statutory subject matter. 'The examiner bears the initial burden ... of presenting a *prima facie* case of unpatentability.' *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). If the record as a whole suggests that it is more likely than not that the claimed invention would be considered a practical application of an abstract idea, natural phenomenon, or law of nature, then USPTO personnel should not reject the claim.

After USPTO personnel identify and explain in the record the reasons why a claim is for an abstract idea with no practical application, then the burden shifts to the applicant to either amend the claim or make a showing of why the claim is eligible for patent protection. See, e.g., *In re Brana*, 51 F.3d 1560, 1566, 34 USPQ2d 1436, 1441 (Fed. Cir. 1995)"

Applicant submits that the Office Action has not met its burden "of presenting a *prima facie* case of unpatentability." The claimed inventions do, in fact, produce a "useful, concrete and tangible" result[s], and therefore, have

practical applications, for at least the reason that the invention[s] include the following element: "bandwidth securitization instrument". Further, the "totality of the evidence" clearly & expressly establishes patentable subject matter. As presented previously with regards to at least Claim 6 (and all the claims that depend therefrom), an allowable claim[s] has already been identified by the Office in at least one prior Office Action.

A "bandwidth securitization instrument" is clearly "useful, concrete and tangible" even in cases where the "bandwidth securitization instrument" is stored in a computer media. This conclusion is supported by the Federal Circuit's decision in *State Street*. See, e.g., *State Street Bank & Trust Co. v. Signature Financial Group Inc.*, 149 F. 3d 1368, 1373, 47 USPQ2d 1596, 1601 (Fed. Cir. 1998) Notably, *State Street* addressed a "software program" for *pricing*, though Applicant maintains the instant claims include different elements. ("[T]ransformation of data, representing discrete dollar amounts, by a machine through a series of mathematical calculations into a final share price, constitutes a practical application of a mathematical algorithm, formula, or calculation, because it produces 'a useful, concrete and tangible result' -- a final share price momentarily fixed for recording and reporting purposes and even accepted and relied upon by regulatory authorities and in subsequent trades.").

Perhaps fortuitously, one of the very patents relied upon by the Office in the December 14, 2006 Office Action has claims directed to a "method of allocating a plurality of computer resources among a plurality of users" even though the claims include different elements. See Claims 1 – 8 of U.S. Patent No. 5,640,569 (issued to Miller et al.). The more salient point, however, is that Claims 3 - 6 & 16 - 22 of Applicants' invention clearly produces "a useful, concrete and tangible result" – namely, a "bandwidth securitization instrument" enables pricing and valuation of bandwidth. Additionally, and for reference, a copy of "A USPTO WHITE PAPER Automated Financial or Management Data Processing Methods (Business Methods)" ("White Paper") Ver. 1.43 is included herein: Page 3 of the White Paper discusses *State Street*. For at least these reasons, Applicant respectfully requests the Office to withdraw the rejections based on 35 U.S.C. § 101.